

# **EXHIBIT A**



ASSET MANAGEMENT GROUP

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February 10, 2023

Mr. Asaf Ravid  
Wythe Berry Fee Owner LLC  
E: [ravidasaf@gmail.com](mailto:ravidasaf@gmail.com)

RE: Professional Services Agreement - The William Vale Hotel  
111 North 12th Street  
Brooklyn, NY 11249

Dear Mr. Ravid,

Pursuant to your request, we are pleased to submit this proposal for the services of Performance Hospitality Advisors LLC; d/b/a: LWHA Asset and Property Management Group in connection with the referenced property. This letter sets forth a description of the objective and scope of the assignment, along with the methodology to be employed, an estimate of the time requirement, a schedule of professional fees, and our Terms and Conditions ("Exhibit A").

## Parties to this Agreement

The undersigned Performance Hospitality Advisors LLC; d/b/a: LWHA Asset and Property Management Services (at all times herein "LWHA") and **Wythe Berry Fee Owner** and identified parties to be named by Client (at all times herein "Client").

## Background

LWHA understands that the Client owns the William Vale Complex. The Client is seeking assistance in compiling a detailed business review to determine the current hotel performance and potential market value and requesting expertise in analyzing the current operation and assistance in "monitoring" the current operators and creating a reporting structure, for the Client. LWHA understand that the complex is operated by a non-party entity and affiliates and obtaining the data and necessary access should be done by LWHA. LWHA confirms that the documents listed in Annex B to this agreement is sufficient with the information and any other needs to perform its tasks under this agreement in full once these documents are received.

## Objective and Scope of Services

The objective of this assignment is to conduct a thorough review and analysis, which includes desktop and on-site research and provide commentary and feedback highlighting any concerns and/or opportunities as per described in the Background section above. Additionally, LWHA will provide oversight of current operations as well as perform a deep dive of current operations and financial aspects of the subject property, based on data provided by The Client, or hotel operator. LWHA will perform a monthly operational performance and financial review of the subject property highlighting areas of concern, documenting current operating procedures, and providing reports for on-going performance.

LWHA knows that the complex is operated by a non-party entity and affiliates and obtaining the data and necessary access should be done by LWHA. LWHA will attempt to work in good faith with the non-party entity & affiliates to collect all necessary data, but The Client understands that access may be difficult and agrees that the extent of the review and analysis will be limited to all data made available to LWHA. Provided however that LWHA will alert of any difficulty in time and manner that enable to client to deal with.

The scope of work necessary to accomplish the above assignment will include the tasks outlined in the following pages. Prior to undertaking any particular task not included in the scope of work, LWHA will consult with Client regarding the particular scope of such Task and the anticipated budget.

## Engagement Approach

To meet the assignment objectives, LWHA will perform the scope of services depicted below, utilizing technology, in terms of conference calls; web meetings, email; document sharing and as provided in this document, in-person meetings with at least once a month on site visit.

LWHA will work in good faith to engage the leadership team to assess concerns, limitations, and property needs from a management perspective. Based on findings, we will develop comprehensive documentation including actions plans necessary, along with all relevant documents as provided by the Client. Based on the review, LWHA will develop an actionable and measurable asset management model to be reviewed monthly.

- Obtain the initial data and reporting to accurately understand the current state of the hotel (Exhibit A) and an appraisal based on data made available, we will conduct a full operational and financial review of the hotel operations and develop an interim forecast. If necessary, court reporting will be included.

### Operational Orientation and Financial Review

LWHA will:

- Establish the data and reports necessary to fully understand the current operating performance.
- Prepare documentation to be submitted to the courts on behalf of Client, if needed.
- LWHA will conduct a physical inspection of both the interior and exterior of the subject property, as well as its surrounding environs.
- Analyze key documents relative to the Subject Hotel's anticipated performance including, but not limited to, Smith Travel Research reports, comparable operating statements, and marketing plans.
- Review current CAPEX plan to ensure reserves are slated for items that are critical for the hotel's current continued operations.
- Provide a comprehensive report outlining the initial observations, financial performance, and property condition.
- Provide a current pricing assessment or appraisal, based on data available.

## Professional Fees

Operational Orientation and Financial Review: The professional fee shall be a fixed one-time fee of \$25,000 plus \$12,500 per month for the initial month and each month thereafter for monitoring services performed on a monthly basis until the agreement is terminated. The agreement can be terminated if either party sent 30 days written notice. The higher initial fee reflects the fact that LWHA personnel will spend a

significant amount of time reviewing the initial data provided by the Subject Hotel and creating models for the evaluation of such data, generating an initial list of recommendations for the improvement of hotel operations and working with Management to develop go forward strategies.

All invoices from LWHA shall be billed on the first day of the month. Payment will be subject to the procedures established with the bankruptcy court and shall be payable within 15 days following the approval of such invoice by the Bankruptcy Court, however; it is understood that the ultimate responsibility will be borne by The Client.

Please provide written confirmation of an electronic transfer when payment is made. Wiring instructions are as follows:

Signature Bank  
Routing # 026013576  
Account # 1501640448

Payment of the Fee is not contingent on an outcome of the mandate, a loan closing, or any other prearranged condition. If any other work not described in this proposal is needed, parties will negotiate in good faith and agree on the scope and fees involved in such new work with written consent and approval of the Client for any work which exceeds the scope of this proposal.

Notwithstanding the fee payment schedule set forth above, if at any time while performing this assignment it becomes necessary to suspend work for a period of thirty (30) days or more, then LWHA will be entitled to bill for the portion of the assignment completed up to the suspension (less any retainer paid) based on the proportionate amount of the Fee if it provided reports and provided monitoring services for that time period.

## Expenses

This engagement is exclusive of all expenses, which will be charged and reimbursed at cost. The scope includes up to (5) five property visit days [every month] and a minimum of one visit a month. If more site visits are necessary, parties will agree in advance, in writing on the costs such visits.

## Timing

LWHA will commence upon written authorization to proceed along with down payment of \$10,000.

## Conditions Regarding Use of LWHA's Report and Work Product

The overall definition and scope of the work to be performed, and its adequacy in addressing Client's needs, is the responsibility of Client and LWHA. Client shall perform all management functions and make all management decisions in connection LWHA's services and Client is responsible for ensuring that all information LWHA may reasonably require is provided on a timely basis and is accurate and complete. Client shall also notify LWHA if it subsequently learns that the information provided is incorrect or inaccurate or otherwise should not be relied upon.

LWHA's services outlined in this engagement letter will be based upon research, knowledge of the industry, and other data and sources available to us. Information provided by Client or others will be accepted without audit or verification and will be assumed to be correct, however abnormalities should be reported.

The findings may contain financial information, estimates or opinions that represent the consultants' view of reasonable expectations at a particular point in time. However, such information, estimates or opinions will not be offered as predictions or as assurances that the particular level of income or profit will be achieved, or that events will occur. Actual results achieved during the period covered by the financial analyses will vary and the variations may be material.

Client acknowledges and agrees that even with LWHA's research expertise, the amount of publicly available information on the topics discussed herein will ultimately determine the amount of information LWHA can report on the topics.

The paucity of publicly available information shall not be construed as failure of LWHA to deliver the required work product under this engagement.

LWHA shall indemnify Client and its partners, principals, directors, officers, members, affiliates, Client's investors, lenders, potential investors, the originator of (and any participant in) any mortgage loan originated with respect to the Project and such originator's and participant's direct and indirect owners, agents and/or employees arising in connection with any third party action, claim, proceeding, or investigation brought by a third party relating to this engagement which may be imposed or incurred by reason of the negligence, willful misconduct, or fraud of LWHA (or any of its employees or agents) or LWHA's breach or acting outside of the scope of this Agreement. The foregoing indemnification and reimbursement obligations shall survive the termination of LWHA's engagement.

LWHA's services shall remain subject to each of the conditions, limitations and assumptions stated therein.

Client acknowledges that any opinions and conclusions expressed by LWHA professionals during this assignment are representations made as employees and not as individuals. Client is relying on Evan Weiss to be involved personally on behalf of LWHA for this engagement.

LWHA agrees, for itself and all persons retained or employed by LWHA in performing its services, to hold in confidence and not to use or disclose to others any confidential or proprietary information of Client or in any way related to the Property heretofore or hereafter disclosed to LWHA, which may become known to LWHA in the performance of, or as a result of, its services, except where Client specifically authorizes LWHA to disclose any of the foregoing to others or such disclosure reasonably results from the performance of LWHA's duties hereunder; provided, however, that for purposes of this agreement information shall not be deemed to be confidential if it is otherwise within the public domain or if LWHA has obtained such information from a source other than Client or its employees or agents, provided that such source is not known by LWHA to be bound by a confidentiality agreement with, or other obligation of secrecy to, Client or another party. If LWHA or any of its employees receives a subpoena or other judicial command to produce documents or to provide testimony involving this assignment in connection with a lawsuit or proceeding, LWHA will use reasonable efforts to notify Client of LWHA's receipt of same. However, if LWHA is not a party to these proceedings, Client agrees to compensate LWHA and/or its affiliate for the reasonable costs of professional time and reimburse LWHA for the actual expense that it incurs in responding to any such subpoena or judicial command, including reasonable attorneys' fees, if any, as such expenses are incurred. LWHA will be compensated at the then prevailing hourly rates of the personnel responding to the subpoena or command for testimony. Client specifically authorizes LWHA to disclose information relating to this assignment, including information which may be considered confidential, to third persons as reasonably necessary to LWHA's response to or defense of threatened or actual legal or regulatory actions and to the existing lender and its representative.

LWHA will not issue any press releases or announcements regarding the Client or the Property, whether prior to, upon or after consummation of any transaction which may be consummated in connection therewith, without the prior written approval of Client as to the contents thereof.

Consulting assignments are accepted with the understanding that there is no obligation to furnish services after completion of the original assignment. If the need for subsequent service related to a consulting assignment (such as a consulting and advisory, updates, conferences, reprints or copy service) is contemplated, special arrangements acceptable to LWHA are to be made in advance. The assignment assumes market conditions as observed as of the current date of LWHA's research stated in the letter of transmittal of our written report. These market conditions are believed to be correct; however, the consultants assume no liability should market conditions materially change because of unusual or unforeseen circumstances.

Client acknowledges and agrees that LWHA may from time to time be engaged in providing services to others, which are similar to those to be provided to Client hereunder. Client further agrees that such activities shall not in and of themselves create any presumption that LWHA's obligations under this Agreement have not been honored.

The Client is allowed to assign the Agreement to an affiliate of Client, with such assignee being thereafter deemed the Client for all purposes and the original client then being discharged of any and all obligations under the Agreement and to its lender.

The attached Terms and Conditions (Exhibit A) is deemed a part of this agreement as though set forth in full herein. In addition to all other terms and conditions of this agreement, LWHA and Client agree that LWHA's services under this agreement and Consulting and advisory services, and any use of the consulting and advisory summaries are subject to the statements, limiting conditions and other terms set forth. The terms of the body of the agreement supersede any inconsistencies in Exhibit A.

This agreement may be executed in any number of separate counterparts and by facsimile or "pdf" signatures, each of which shall together be deemed an original, but the several counterparts shall together constitute one and the same instrument.

### **Engagement Acceptance**

If you are in agreement with the conditions regarding the use of LWHA's work product, please sign the enclosed copy of this letter and return it to LWHA. Acceptance of this engagement letter is subject to LWHA's normal client acceptance procedures. A final invoice will be submitted upon the completion of our draft report and is payable upon presentation.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

Performance Hospitality Advisors, LLC d/b/a LWHA Asset and Property Management Services



Evan Weiss  
COO, Principal  
(212) 300-6684 x102  
evan.weiss@lwhadvisors.com



Edward Shapard  
Managing Director, Head of Platform  
(212) 300-6684  
edward.shapard@lwhadvisors.com

**Agreed and Accepted**

For:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email Address

## Exhibit A: Terms and Conditions

The work prepared by Performance Hospitality Advisors; d/b/a: LWHA Asset Management Group (at all times herein "LWHA") and all of its work in connection with this assignment is subject to the limiting conditions and all other terms stated in the report. Any use of LWHA's work by any party, regardless of whether such use is authorized or intended by LWHA, constitutes acceptance of all such limiting conditions and terms.

1. These Terms and Conditions, between LWHA and the Client for whom the referenced consulting and advisory service will be performed, shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the State of New York.
2. Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee is not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the consulting and advisory services.
3. Final payment is due and payable upon delivery of the final report or within thirty (30) days of Client's receipt of LWHA's draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of the draft report.
4. If LWHA is requested to give court testimony, no additional fee will be charged for a one day/time testimony. If more testimonies will be needed Client and LWHA will agree on the additional fee involved in advance on the hourly billings pertaining to court preparation, waiting and travel time, document review and preparation and all meetings related to court testimony.
5. In the event Client requests additional services beyond the purpose stated in the Agreement, Client agrees to pay an additional charge for such services, plus reimbursement of expenses, whether or not the completed report has been delivered to Client at the time of the request, provided such additional charges are preapproved by Client.
6. It is understood that the Client has the right to cancel this assignment at any time prior to delivery of the completed report. In such event, the Client is obligated only for the pro-rated share of the fee based upon the work completed and expenses incurred through and including the date of cancellation.
7. If payment for professional fees and out-of-pocket research, travel, and related expenses is not received within thirty (30) days of the billing date, LWHA reserves the right to suspend all work until payment is made. It is further agreed that in the event legal action becomes necessary to enforce collection of bills rendered, you will be responsible for all collection costs, including, but not limited to, court costs and reasonable legal fees. It is understood that LWHA may extend the time for payment on any part of billings rendered without affecting the understanding outlined above.
8. LWHA assumes that there are no major or significant items that would require the expertise of a professional building contractor or engineer. If such items need to be considered in LWHA's consulting analysis, such services are to be provided by others at a cost which is not a part of the fee proposal; LWHA will seek Client's written approval prior to any additional expenditures.
9. In the event of any dispute between Client and LWHA relating to this Agreement, or LWHA's or Client's performance hereunder, LWHA and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction. Depositions may be taken, and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the State of New York. The arbitrator(s) shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary, or similar type damages. The prevailing party in the arbitration proceeding shall be entitled to recover from the losing party its expenses, including the costs of arbitration proceeding, and reasonable attorney's fees.
10. Client acknowledges that LWHA is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Client and LWHA. This assignment shall be deemed concluded and the services hereunder completed upon delivery to Client of the consulting and advisory services discussed herein and LWHA's receipt of Client's full payment of all fees due under the Agreement.



11. All statements of fact in the report which are used as the basis of the LWHA's analyses, opinions, and conclusions will be true and correct to the best of the LWHA's knowledge and belief. LWHA does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Subject Property furnished to LWHA by Client.
12. LWHA shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the property analyzed.
13. Client shall provide LWHA with such materials with respect to the Assignment as are reasonably requested by LWHA and in the possession or under the control of Client. Client acknowledges that access to the property shall be made available to LWHA in coordination with Client and the owner of the property, as Client is a lender, not an owner of the property.
14. The data gathered in the course of the assignment (except data furnished by Client) prepared pursuant to the Agreement are, and will remain, the property of LWHA. The report will be property of the Client. With respect to data provided by Client, LWHA shall not violate the confidential nature of the consultant-client relationship by improperly disclosing any confidential information furnished to LWHA.
15. Unless specifically noted in the consulting and advisory agreement, we will not be taking into consideration the possibility of the existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof. Further, LWHA understands that there is no major or significant deferred maintenance in the property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of this fee proposal.
16. LIMITATION OF LIABILITY. EXCEPT FOR THE HOLD HARMLESS PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER. EXCEPT FOR THE HOLD HARMLESS PROVISION ABOVE AND FOR DAMAGES DIRECTLY CAUSED BY EITHER PARTY'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT, IN NO EVENT WHATSOEVER SHALL EITHER PARTY'S TOTAL LIABILITY TO THE OTHER FOR DIRECT DAMAGES UNDER THE AGREEMENT OR ANY OTHER DAMAGES WHATSOEVER EXCEED IN THE AGGREGATE THE SUM OF THE AMOUNT OF FEE PAYABLE HEREUNDER.
17. Client acknowledges that any opinions, recommendations, and conclusions expressed during this assignment will be rendered by the staff of LWHA, acting solely as employees and not as individuals. Any responsibility of LWHA is limited to Client, and use of our product by third parties shall be solely at the risk of Client and/or third parties.